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A PARCELS POST.

BY GEORGE V. L. MEYER, POSTMASTER-GENERAL.

THE public has come to a realization of the importance of the legislation recommended by the Post Office Department in connection with the extension of the parcels post, and the demand for authentic information is widespread and constantly increasing. This is very gratifying, as the proposed changes intimately affect the entire population, and every citizen should know just what the effect will be.

In the first place, no radical changes are contemplated in the system. Two distinct propositions have been made. Both of them must be considered in the light of logical developments, demanded by the growth and conditions of the country—as forward steps, in scientific service, not as changes or a reorganization in the present machinery. They can be better discussed separately.

The present rate for the transmission of fourth-class matter through the mails is sixteen cents a pound (one cent an ounce or fraction thereof), and the limit of weight is four pounds. Under our postal treaties, the rate from any American post-office to twenty-nine foreign countries is twelve cents a pound, and the limit of weight to twenty-four of these countries is eleven pounds. The Department has simply recommended that our citizens be permitted to despatch parcels to each other, in our own country, at as liberal a rate as that at which they are allowed to send them to a foreign country. So far as this affects a parcels post, it means a general increase of seven pounds in the weight limit and a reduction of four cents a pound in the rate; and herein lies the direct benefit which will accrue to the people as a whole. For parcels weighing less than one pound the suggested rates are: For one ounce, one cent; over one ounce and not exceeding three ounces, two cents; over three and not exceeding four ounces, three

cents; over four and not exceeding five ounces, four cents; over five and not exceeding six ounces, five cents; over six and not exceeding eight ounces, six cents; over eight and not exceeding twelve ounces, nine cents; over twelve ounces and not exceeding one pound, twelve cents.

In this as in many other matters the makeshift method which from time to time has been adopted to meet wants of the moment has left us far behind other countries, older in experience and practice. As to what has been accomplished by our contemporaries the following data are of great interest:

Great Britain: Limit of weight, 11 pounds; for first pound, 6 cents; for each additional pound, 2 cents.

New Zealand and Commonwealth of Australia: Limit of weight, 11 pounds; for first pound, 12 cents; for each additional pound, 6 cents.

Germany: Weight limit, 11 pounds; for all parcels conveyed not more than ten geographic miles 6 cents, and 13 cents for greater distances. If parcels are more than 11 pounds in weight, for each additional 2 pounds carried ten miles, 1 cent; twenty miles, 3 cents; fifty miles, 5 cents; one hundred miles, 8 cents, etc.

Austria: Limit of weight, 110 pounds, except for parcels containing gold or silver coin, 143 pounds. Up to 11 pounds the rates are, for the first ten miles 6 cents, and 12 cents for greater distances, etc.

France: Limit of weight, about 22 pounds. Postage rates—up to 7 pounds, 12 cents, delivered at the railway station, and 17 cents delivered at a residence; from 7 to 11 pounds, 16 cents at a station, and 21 cents at residence; from 11 to 22 pounds, 25 cents at a station, and 30 cents at a residence.

Belgium: Limit of weight, about 132 pounds. Unwieldy parcels are charged 50 per cent. in addition to the following rates for any distance: Up to 11 pounds, 10 cents—or, if by express trains, 16 cents; up to 22 pounds, 12 cents—or, if by express trains, 20 cents; for each additional 22 pounds, 2 cents—or, if by express trains, 10 cents. Fee for delivering at residence, 6 cents.

Italy: Limit of weight, 11 pounds. For ordinary parcels, greatest size in any direction, 2 feet, except rolls, which may measure 40 inches in length by 8 inches in thickness. Postage rates for a parcel not exceeding 7 pounds, 12 cents; and 20 cents for a parcel exceeding that weight. A parcel which exceeds 2 feet in any direction, but does not exceed 5 feet, is admitted to the mails as an "unwieldy" parcel and is charged, in addition to the above rates, 6 cents if it does not weigh more than 7 pounds, and 10 cents if it exceeds that weight.

The Netherlands: Limit of weight, 11 pounds; greatest size, 1,525 cubic inches, or 40 inches in any direction. Postage rates: 6 cents up to 2 pounds; 8 cents from 2 to 7 pounds; 10 cents from 7 to 11 pounds.

Chile: Limit of weight, 11 pounds; must not measure more than 2

feet in any direction. Postage rates: 10 cents, if a parcel does not weigh more than 7 pounds; 17 cents if it weighs more.

Cuba: Limit of weight, 11 pounds; greatest size, 3 feet 6 inches in length, by 2 feet 6 inches in width. Postage rate: 10 cents a pound up to 5 pounds; and 6 cents for each additional pound.

It will be seen that the rates of many foreign countries are materially lower even than those proposed for the United States, and that the limit of weight is often very much greater. It would be impracticable to inaugurate such a system of zone rates here, as exists in Germany, however, nor could the low rates of Great Britain be maintained. The extent of our territory and the diffusion of our population must receive due consideration, and this has been recognized in the recommendations of the Department. Financially, these recommendations rest upon a safe basis. The mean cost of railroad transportation for hauling fourth-class mail matter from coast to coast, at the time the present railroad compensation was adjusted, was 6.4 cents a pound. Since then, reductions have been made which place the average cost per pound at approximately 5.5 cents. Based upon the average length of haul, the following account will give a correct idea of the result of parcels post at 12 cents a pound, estimated by the ton:

Expenditures		Revenue	
Railroad charge, per ton...	\$ 29.70	Postage.....	\$240.00
Labor, " "	.. 103.87		
Other conveyances, " "	.. 15.70		
Net income, " "	.. 90.73		
		<hr/>	
		\$240.00	

The cost of railroad transportation is, of course, the most variable item, and the amount shown is that which would be paid for an average haul, which, as near as can be determined, is about 540 miles. The net income would be sufficient to pay for the transportation of the ton for an additional 1,640 miles.

The railroads of great Britain are allowed 55 per cent. of the gross receipts on the parcels they carry; but this means that the parcels must be separated from the other mail, which seriously hampers economical administration and also involves a cumbersome and expensive system of accounting and auditing. These disadvantages have been avoided in the proposed plan for a parcels post in the United States. Any augmentation of expense, here, will simply come from very long hauls. That there is more

than a sufficient margin to cover all of that, has been shown in the foregoing table.

Heretofore, parcels-post measures have been of a nature making it evident that they were advocated by selfish interests to such an extent as to cause, among certain classes, a very unfavorable attitude toward any legislation bearing upon the subject.

That public interest in the present measures is rapidly increasing as the subject becomes better understood is aptly illustrated in the following communication:

“ OMAHA, NEBRASKA, *October 25, 1907.*

“ GEORGE V. L. MEYER,

“ Postmaster-General, Washington, D. C.

“ MY DEAR SIR,—

“ Your communication of October 18 received, for which I thank you. I am sending you herewith some editorial comments, collected from a number of trade papers. These may be of interest to you. The ‘Trade Exhibit,’ I am pleased to state, is the first trade paper in the United States to approve your position as to a parcel post. During the past four years I believe I have circulated more antiparcel-post literature than any other individual in the United States. All my work has been directed against the establishment of any parcel-post system that would be unfair to the retail merchants, and which might be considered a subsidy to the mail-order system of business, and by making a rate much lower than cost of transportation to the Government would tend to concentrate business in districts where the price of labor is the lowest.

“ I inclose you a little pamphlet which I prepared two years ago. It is only one of the many like articles that I prepared for circulation, and which formed the basis of the antiparcel-post articles appearing in numerous trade journals. I also delivered many addresses before commercial bodies and merchants’ organizations in Nebraska, Colorado, Kansas and other Western States. I would still continue to oppose a widening of our parcel-post system, did I believe that it would be injurious to those sections of our country which are now undergoing development.

“ After a most careful study of the plan you propose, I cannot discover a single objection that can be based upon sound economics. Rather a parcel-post extension, as you propose, will be helpful to enterprising retailers, and will assist in the building up of home industries in the so-called agricultural towns. Should any effort be made, when your proposition be laid before Congress, to have a lower rate instituted than that which you propose, I will use what little influence I have in opposing such a move.

“ Assuring you what little support I can give to the plan that you propose will be given, I beg to remain, yours respectfully,

“ OMAHA TRADE EXHIBIT,

“ Per D. M. CARR, *Editor.*”

This letter forms a fitting introduction to the consideration of the second proposition—the establishment of a distinctly local parcels post entirely separate from the general parcels post, and confined to packages received upon a rural route or at the distributing post-office thereof, and delivered upon the same rural route or another emanating from the same distributing post-office. The rate recommended is five cents for the first pound and two cents for each additional pound or fractional part thereof up to eleven pounds (making twenty-five cents for a package of the maximum weight). The rates for packages weighing less than one pound are: For two ounces or less, one cent; over two and up to four ounces, two cents; over four and up to eight ounces, three cents; over eight and up to twelve ounces, four cents; over twelve ounces and up to one pound, five cents.

This recommendation is founded upon the broad ground of the ability of the Government to render the service at a profit, yet with great advantage to the farmer, the retail merchant and other patrons of the rural routes. The necessary machinery, 38,215 rural routes covered by carriers already employed and equipment already in operation, is at hand. There are approximately fifteen millions of people served on these routes; the vast possibilities of the rural service are, therefore, apparent. The Post Office Department has simply suggested their utilization. It is estimated that if but three packages of the maximum weight were handled each trip, on the rural routes now established, the resulting net revenue, even at the low rates given, would more than wipe out the present deficit of the postal service. It would be practically all gain with the exception of the amount paid to postmasters on account of cancellations.

In the operation of this local parcels post there would be no railroad transportation, and therein lies the element which will forever defeat any attempt to make the local rate universal.

There, also, is found a reply to those who have attempted to maintain that the parcels post on rural routes would be made the entering wedge for parcels-post rates more favorable to the large mail-order houses.

To the assertion that mail-order houses would assemble their orders and ship them to suitable points, there to be distributed over the rural routes at the local rate, the reply is that the Department advocates a provision which will prevent any such use

of the routes. It is, however, pertinent to note that, even in the absence of such a prohibition, any systematic attempt upon the part of a mail-order house to deliver its wares thus would necessitate the employment of many thousands of local representatives. Their catalogues show pretty plainly that a large part of their success is attributed to their remarkably low selling expense, and that the absence of any sort of agents is the principal feature of their argument in accounting for the supposedly low prices of their goods.

The special local rates shown, it may be added, apply only to parcels offered by merchants or dealers whose regular places of business are on rural delivery routes and by residents on such routes.

That the establishment of such a local rural parcels post would be of material and manifold advantage to the retail merchant in competition with the mail-order houses is seen at once, as the latter, at the proposed general parcels-post rate of twelve cents a pound, would be obliged to pay \$1.32 for sending an eleven-pound package to a rural route patron, a difference in favor of the local storekeeper of about ten cents a pound. The retail merchants are rapidly learning this phase of the situation, which has been misrepresented to them by opponents of the plan, and as soon as they fully comprehend the measures recommended they lend their hearty support and co-operation.

The local rural parcels post would enable the farmer to obtain many of his requirements when it is impossible for him to make a special trip to town, thus sparing him inconvenience. He could order certain goods from country merchants by mail or telephone. By thus facilitating consumption, the trade of the country merchant would be increased, and any betterment in the condition of this very numerous class would be reflected in a general increase of trade to the jobber and the wholesaler.

Some retail merchants have said that they do not want the farmer to stay at home—that it is necessary he should frequently come to their stores and view their wares in order that the greatest possible sales may be made. The farmer would, no doubt, go to town quite often enough for the purposes of trade. His bulky produce and other heavy articles would not be handled through the mails. He would be saved, however, from making an emergency trip, perhaps of considerable length and in bad weather,

to obtain a few pounds of some article which, though urgently required, he could wait for until the rural carrier reached his gate.

This leads, finally, to the consideration of a feature of the proposed local parcels post which is too important to be overlooked. It would inevitably tend toward the improvement of the roads. Improved roads mean improved conditions and better facilities for the farmer in transporting his goods to market. The establishment of rural routes has already, especially in the South, increased the value of farms, and another advance should come from the inauguration of the special local parcels post.

Recent reports from 54,000 post-offices show that the average weight of fourth-class matter (parcels) handled was one-third of a pound, although the weight limit is four pounds. It should be borne in mind that there is a distinction between expressage and parcels post in this country, because postal parcels are practically not delivered except when the weight is light. Under the present postal regulations where the parcel is large or heavy a notice is sent to the addressee to call for it. In the case of rural delivery the parcels, of course, would be delivered to the rural boxes by the carriers, as is now the practice.

In illustration of the misunderstanding which exists as to what the proposed legislation would do in the way of altering the postal laws and regulations, I am glad to have this opportunity of inviting attention to the fact that a resolution of the Richmond Commercial Club, of Richmond, Indiana, appeared in the "Congressional Record" of January 7th, to the effect that "a certain mail-order house will save \$40,000 a year alone on mailing their catalogue by this reduction." Similar statements have been made in various parts of the country. There need be no fear of this, for catalogues are classified as third-class matter and are mailable to-day at eight cents a pound. The proposed parcels post rates do not affect them in any way.

GEORGE V. L. MEYER.